



STATE OF UTAH CONTRACT

CONTRACT NUMBER: 0-121

1. CONTRACTING PARTIES: This contract is between the following agency of the State of Utah:

STATE AGENCY: Department of Transportation Agency Code: 810
Agency Division: Aeronautics Division

Referred to as the STATE and the following named contractor:

CONTRACTOR: SimCom International, dba, SimCom Training Centers LEGAL STATUS: For-Profit Corporation
Street Address: 6989 Lee Vista Blvd.
City/State/Zip Code: Orlando, Florida 32822

Contact Person: Ron Csuy, Director of Sales
Phone Number: (407) 275-1050 E-mail: rcsuy@panamacademy.com
Fax Number: (407) 737-9515

Federal Identification Number: 592966272 Vendor Number: 92175A C Commodity Codes(s): 90553000000

2. CONTRACT TYPE AND PURPOSE:


REQUIREMENTS CONTRACT FOR FLIGHT SIMULATOR TRAINING FOR BEECHCRAFT KING AIR B200 AND C90B AIRCRAFT.

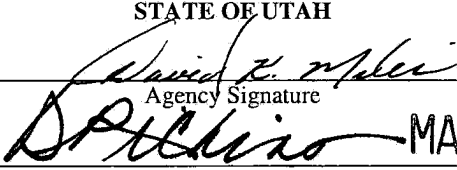
3. PROCUREMENT: This contract is entered into as a result of the Procurement process on bid DR4046.
4. CONTRACT PERIOD: Effective date: March 1, 2004. Termination date: February 28, 2006, unless terminated early in accordance with the terms of this contract. Renewal Options: Three, 1-year renewals.
5. CONTRACT COSTS: CONTRACTOR will be paid a maximum of: \$999,999.99 for costs authorized by this contract.
6. ATTACHMENT A: Division of Purchasing's Standard Terms and Conditions.
ATTACHMENT B: Special Terms and Conditions
ATTACHMENT C: Pricing

Any conflicts between Attachment A and other Attachments will be resolved in favor of Attachment A.

7. DOCUMENTS INCORPORATED INTO THIS CONTRACT BY REFERENCE BUT NOT ATTACHED:
- A. All other governmental laws, regulations or actions applicable to the goods and/or services authorized by this Contract.
- B. Utah State Procurement Code, Procurement Rules and Contractor's responses to Bid # DR4046 dated January 27, 2004.

IN WITNESS WHEREOF, the parties sign and cause this contract to be executed.

CONTRACTOR

Contractor's Signature
Ronald D Csuy
Contractor's Name
DIRECTOR OF SALES
Title

STATE OF UTAH

Agency Signature
DP Miller MAR 08 2004
Division of Purchasing
CONTRACT RECEIVED AND
PROCESSED BY
BUDGET & FINANCE MAR 09 2004
Division of Finance

| | | | |
|-----------------------|------------------|----------------|--------------------|
| Paul Rottmann | (801) 965-4078 | (801) 965-4073 | prottmann@utah.gov |
| Agency Contact Person | Telephone Number | Fax Number | E-Mail Address |

ENT'D MAR 09 2005

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DRP

ATTACHMENT A: STANDARD TERMS AND CONDITIONS

1. **AUTHORITY:** Provisions of this contract are pursuant to the authority set forth in 63-56, Utah Code Annotated, 1953, as amended, Utah State Procurement Rules (Utah Administrative Code Section R33), and related statutes which permit the State to purchase certain specified services, and other approved purchases for the State.
2. **CONTRACT JURISDICTION, CHOICE OF LAW, AND VENUE:** The provisions of this contract shall be governed by the laws of the State of Utah. The parties will submit to the jurisdiction of the courts of the State of Utah for any dispute arising out of this Contract or the breach thereof. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County.
3. **LAWS AND REGULATIONS:** Any and all supplies, services and equipment furnished will comply fully with all applicable Federal and State laws and regulations.
4. **RECORDS ADMINISTRATION:** The Contractor shall maintain, or supervise the maintenance of all records necessary to properly account for the payments made to the Contractor for costs authorized by this contract. These records shall be retained by the Contractor for at least four years after the contract terminates, or until all audits initiated within the four years, have been completed, whichever is later. The Contractor agrees to allow State and Federal auditors, and State Agency Staff, access to all the records to this contract, for audit and inspection, and monitoring of services. Such access will be during normal business hours, or by appointment.
5. **CONFLICT OF INTEREST:** Contractor represents that none of its officers or employees are officers or employees of the State of Utah, unless disclosure has been made in accordance with 67-16-8, Utah Code Annotated, 1953, as amended.
6. **CONTRACTOR, AN INDEPENDENT CONTRACTOR:** The Contractor shall be an independent contractor, and as such, shall have no authorization, express or implied, to bind the State to any agreements, settlements, liability, or understanding whatsoever, and agrees not to perform any acts as agent for the State, except as herein expressly set forth. Compensation stated herein shall be the total amount payable to the Contractor by the State. The Contractor shall be responsible for the payment of all income tax and social security amounts due as a result of payments received from the State for these contract services. Persons employed by the State and acting under the direction of the State shall not be deemed to be employees or agents of the Contractor.
7. **INDEMNITY CLAUSE:** The Contractor agrees to indemnify, save harmless, and release the State OF UTAH, and all its officers, agents, volunteers, and employees from and against any and all loss, damages, injury, liability, suits, and proceedings arising out of the performance of this contract which are caused in whole or in part by the negligence of the Contractor's officers, agents, volunteers, or employees, but not for claims arising from the State's sole negligence.
8. **EQUAL OPPORTUNITY CLAUSE:** The Contractor agrees to abide by the provisions of Title VI and VII of the Civil Rights Act of 1964 (42USC 2000e) which prohibits discrimination against any employee or applicant for employment or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age; and Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. Also, the Contractor agrees to abide by Utah's Executive Order, dated March 17, 1993, which prohibits sexual harassment in the work place.
9. **SEPARABILITY CLAUSE:** A declaration by any court, or any other binding legal source, that any provision of this contract is illegal and void shall not affect the legality and enforceability of any other provision of this contract, unless the provisions are mutually dependent.
10. **RENEGOTIATION OR MODIFICATIONS:** This contract may be amended, modified, or supplemented only by written amendment to the contract, executed by the same persons or by persons holding the same position as persons who signed the original agreement on behalf of the parties hereto, and attached to the original signed copy of the contract.
11. **DEBARMENT:** The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract), by any governmental department or agency. If the Contractor cannot certify this statement, attach a written explanation for review by the State. The Contractor must notify the State Director of Purchasing within 30 days if debarred by any governmental entity during the Contract period.
12. **TERMINATION:** Unless otherwise stated in the Special Terms and Conditions, this contract may be terminated, with cause by either party, in advance of the specified termination date, upon written notice being given by the other party. The party in violation will be given ten (10) working days after notification to correct and cease the violations, after which the contract may be terminated for cause. This contract may be terminated without cause, in advance of the specified expiration date, by either party, upon 90 days prior written notice being given the other party. On termination of this contract, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination.
13. **NONAPPROPRIATION OF FUNDS:** The Contractor acknowledges that the State cannot contract for the payment of funds not yet appropriated by the Utah State Legislature. If funding to the State is reduced due to an order by the Legislature or the Governor, or is required by State law, or if federal funding (when applicable) is not provided, the State may terminate this contract or proportionately reduce the services and purchase obligations and the amount due from the State upon 30 days written notice. In the case that funds are not appropriated or are reduced, the State will reimburse Contractor for products delivered or services performed through the date of cancellation or reduction, and the State will not be liable for any future commitments, penalties, or liquidated damages.
14. **SALES TAX EXEMPTION:** The State of Utah's sales and use tax exemption number is E33399. The tangible personal property or services being purchased are being paid from State funds and used in the exercise of that entity's essential functions. If the items being purchased are construction materials, they will be converted into real property by employees of this government entity, unless otherwise stated in the contract.
15. **WARRANTY:** The contractor agrees to warrant and assume responsibility for all products (including hardware, firmware, and/or software products) that it licenses, contracts, or sells to the State of Utah under this contract for a period of one year, unless otherwise specified and mutually agreed upon elsewhere in this contract. The contractor (seller) acknowledges that all warranties granted to the buyer by the Uniform Commercial Code of the State of Utah apply to this contract. Product liability disclaimers and/or warranty disclaimers from the seller are not applicable to this contract unless otherwise specified and mutually agreed upon elsewhere in this contract. In general, the contractor warrants that: (1) the product will do what the salesperson said it would do, (2) the product will live up to all specific claims that the manufacturer makes in their advertisements, (3) the product will be suitable for the ordinary purposes for which such product is used, (4) the product will be suitable

for any special purposes that the State has relied on the contractor's skill or judgment to consider. When it advised the State about the product, (5) the product has been properly designed and manufactured, and (6) the product is free of significant defects or unusual problems about which the State has not been warned. Remedies available to the State include the following: The contractor will repair or replace (at no charge to the State) the product whose nonconformance is discovered and made known to the contractor in writing. If the repaired and/or replaced product proves to be inadequate, or fails of its essential purpose, the contractor will refund the full amount of any payments that have been made. Nothing in this warranty will be construed to limit any rights or remedies the State of Utah may otherwise have under this contract.

16. **PUBLIC INFORMATION:** Contractor agrees that the contract will be a public document, and may be available for distribution. Contractor gives the State express permission to make copies of the contract and/or of the response to the solicitation in accordance with the State of Utah Government Records Access and Management Act. The permission to make copies as noted will take precedence over any statements of confidentiality, proprietary information, copyright information, or similar notation.
17. **DELIVERY:** Unless otherwise specified in this contract, all deliveries will be F.O.B. destination with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage will remain with Contractor until final inspection and acceptance when responsibility will pass to the State except as to latent defects, fraud and Contractor's warranty obligations.
18. **ORDERING AND INVOICING:** All orders will be shipped promptly in accordance with the delivery schedule. The Contractor will promptly submit invoices (within 30 days of shipment or delivery of services) to the State. The State contract number and/or the agency purchase order number shall be listed on all invoices, freight tickets, and correspondence relating to the contract order. The prices paid by the State will be those prices listed in the contract. The State has the right to adjust or return any invoice reflecting incorrect pricing.
19. **PAYMENT:** Payments are normally made within 30 days following the date the order is delivered or the date a correct invoice is received, whichever is later. All payments to the Contractor will be remitted by mail unless paid by the State of Utah's Purchasing Card.
20. **PATENTS, COPYRIGHTS, ETC.:** The Contractor will release, indemnify and hold the State, its officers, agents and employees harmless from liability of any kind or nature, including the Contractor's use of any copyrighted or un-copyrighted composition, secret process, patented or un-patented invention, article or appliance furnished or used in the performance of this contract.
21. **ASSIGNMENT/SUBCONTRACT:** Contractor will not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this contract, in whole or in part, without the prior written approval of the State.
22. **DEFAULT AND REMEDIES:** Any of the following events will constitute cause for the State to declare Contractor in default of the contract:
 1. Nonperformance of contractual requirements;
 2. A material breach of any term or condition of this contract. The State will issue a written notice of default providing a ten (10) day period in which Contractor will have an opportunity to cure. Time allowed for cure will not diminish or eliminate Contractor's liability for damages. If the default remains, after Contractor has been provided the opportunity to cure, the State may do one or more of the following:
 1. Exercise any remedy provided by law;
 2. Terminate this contract and any related contracts or portions thereof;
 3. Impose liquidated damages, if liquidated damages are listed in the contract;
 4. Suspend Contractor from receiving future solicitations.
23. **FORCE MAJEURE:** Neither party to this contract will be held responsible for delay or default caused by fire, riot, acts of God and/or war which is beyond that party's reasonable control. The State may terminate this contract after determining such delay or default will reasonably prevent successful performance of the contract.
24. **PROCUREMENT ETHICS:** The Contractor understands that a person who is interested in any way in the sale of any supplies, services, construction, or insurance to the State of Utah is violating the law if the person gives or offers to give any compensation, gratuity, contribution, loan or reward, or any promise thereof to any person acting as a procurement officer on behalf of the State, or who in any official capacity participates in the procurement of such supplies, services, construction, or insurance, whether it is given for their own use or for the use or benefit of any other person or organization (63-56-73, Utah Code Annotated, 1953, as amended).
25. **CONFLICT OF TERMS:** Contractor Terms and Conditions that apply must be in writing and attached to the contract. No other Terms and Conditions will apply to this contract including terms listed or referenced on a Contractor's website, terms listed in a Contractor quotation/sales order, etc. In the event of any conflict in the contract terms and conditions, the order of precedence shall be:
 1. State Standard Terms and Conditions;
 2. State Special Terms and Conditions;
 3. Contractor Terms and Conditions.

(Revision date: Nov 21, 2003)

**FLIGHT SIMULATOR TRAINING FOR KING AIR B200 AND C90B
FOR THE STATE OF UTAH**

I. PURPOSE

The purpose of this contract is to acquire flight simulator training for Beechcraft King Air B200 and C90B aircraft to meet the needs of the State of Utah, Department of Transportation, Division of Aeronautics (State).

II. SCOPE OF WORK

The Contractor shall provide pilot training services to the State:

- A. The training shall include initial and /or recurrent training.
- B. FAA approved Ground school and flight simulator training, at the same location, is required.
- C. Aircraft types must be King Air B200 and C90B.
- D. Pilots will train annually and will alternate between the King Air B200 and the C90B.

III. PERIOD OF PERFORMANCE

The initial contract shall be for a period of two years and may be renewed for up to three additional annual periods upon mutual agreement of the State and Contractor for a maximum of up to five (5) years.

IV. CONTRACT ACCEPTANCE

At the time the bid is signed by the Contractor, the signature of the Contractor will be used as the legally binding signature if awarded this contract. When signed by the State Director of Purchasing and General Services and assigned a contract number, this document will become a legally binding agreement with the Contractor for the period specified.

V. PRICING

Pricing shall be considered firm for the first two (2) years.

VI. NOTICE

Written notice of any increase must be received by the Division of Purchasing and General Services at least thirty (30) days prior to the effective date of the increase. The

terms and conditions of this contract will not be waived, altered, modified, supplemented or amended in any manner whatsoever without prior written approval of both parties.

The prices paid by the State will be those prices listed in this contract on file with the State Division of Purchasing and General Services.

VII. COMPLIANCE WITH LAW

The Contractor shall comply with all laws, rules and regulations (federal, state and municipal) that may have application to the services provided to the State.

VIII. QUALIFICATIONS OF CONTRACTOR

The Contractor awarded this contract may be required to submit copies of all licenses and permits required to provide the pilot training services. The State may require references from organizations served with similar services.

IX. INSURANCE

Prior to commencing work the Contractor shall provide the State with proof of insurance. The insurance policy shall provide coverage to the Contractor for bodily injury and property damage arising from the Contractor's negligent execution of the instructions, duties, obligations and projects assigned to it by the State. Liability and Property Damage Insurance Policy shall be \$1,000,000 aggregate minimum. The Contractor shall provide a Certificate of Insurance for each time period of this contract. The Contractor shall provide adequate Fire and Comprehensive Insurance to cover the value of and the loss of use of the aircraft and other equipment used to fulfill the obligations of this contract.

X. WAGES

The Contractor shall be responsible for all applicable company wages in accordance with federal, state and local laws and ordinances.

XI. INVOICING

This contract's number must appear on all invoices, bills of lading, packages and all correspondence. The State reserves the right to adjust incorrect invoices.

The Contractor shall submit invoices to:
Utah Department of Transportation
Aeronautics Division
135 North 2400 West
Salt Lake City, Utah 84116

The State will remit payment by mail.

XII. NON-COMPETE CLAUSE

The Contractor represents its officers and employees are free to contract with State and are not subject to restrictions by the terms of their present or past employment including, but not limited to an agreement not to compete for a period of time unless disclosure has been made. Contractor must disclose to the State any possible conflicts, in writing, before the contract is signed, and the State will evaluate whether to continue with contract execution. State may elect to terminate a contract immediately with a Contractor who is subsequently determined to be subject to such restrictions without liability to the State. If the State elects to terminate a contract for this reason, the State will supersede paragraph #12 in Attachment A - Standard Terms and Conditions and will not provide 30 day prior notice to the Contractor.

XIII. COMPLETE CONTRACT

This contract is intended by the parties as a final expression of their agreement, and supersedes all prior communications, representations and agreement, oral and written, between the parties with respect to the subject matter contained herein. The parties also intend this contract to be a complete and exclusive statement of the terms of their agreement. This contract may not be modified or terminated orally, and no claimed modification, rescission or waiver shall be binding on the State unless in writing, signed by a duly authorized representative of the State.

XIV. QUALITY OF SERVICES

Contractor represents to State that it is experienced in and thoroughly familiar with all aspects of the services required hereunder and is properly qualified and licensed as applicable by all governing authorities, and is equipped, organized, and financially able to perform the services.

XV. FORUM FOR ENFORCEMENT

Any controversy or claim arising out of, in connection with, or relating to this Contract or a breach thereof shall be settled by arbitration under the arbitration rules of the American Arbitration Association, Utah Board. The arbitration proceeding shall be governed by the Statutes of the State of Utah, and the proceeding shall be held in Salt Lake City, Utah. Anything to the contrary contained in the above mentioned rules and statutes notwithstanding, the parties consent that any papers, notices, or process necessary or proper for the institution or continuance of, or relating to any arbitration proceeding, or for the confirmation of an award and entry of judgment on any award made, including appeals in connection with any judgment or award, may be served on each of the parties by registered mail addressed to the party at the principal office of the party or by personal service on the party in or without the above mentioned state. The

parties hereby recognize and consent to the above mentioned arbitration association's jurisdiction over each and every one of them.

Any dispute arising under this contract not resolved by the State and Contractor shall be decided by a court of law under the terms of Section titled

Pending settlement of the final decision by the court, Contractor shall proceed diligently with the performance of the Contract in accordance with State's direction.

ATTACHMENT C: PRICING

04.11.21

- I Recurrent Training in which two (2) pilots attend the same three (3) day training session at the same time.
 - A. King Air B200, conducted at Scottsdale, Arizona.....\$2,795.00 / pilot.
 - B. King Air C90B, conducted at Orlando, Florida.....\$2,795.00 / pilot.
- II Initial Pilot Training. One (1) pilot may attend a five (5) day training session at a time.
 - A. King Air B200, conducted at Scottsdale, Arizona.....\$5,275.00 / pilot
 - B. King Air C90B, conducted at Orlando, Florida.....\$5,275.00 / pilot